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March 8, 2010

VIA ELECTRONIC MAIL

Ms. Mary F. Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: Proposed Changes to 12 CFR Part 704

I would like to comment on some of the proposed changes to 12 CFR Part 704.

704.8 – Asset and Liability Management

This section of the proposed Regulation is codifying several tests relating to various asset liability models. I would suggest that NCUA reconsider this codification. I do not feel that the recommendation takes into consideration the many unknowns regarding the economic fixes put in place by many of our financial regulators. I would suggest a delay in the implementation of this regulation to give time to allow the many fixes to go through the system.

704.3 – Corporate Credit Union Capital

I am at a loss to provide any comments for this section. Any suggestion for the replacement of the billions of dollars lost by credit unions with membership capital may be a lost cause.

704.11 – Corporate Credit Union Service Organizations (Corporate CUSOs)

In my 40-year career at credit unions, either the corporates have replaced many of the activities credit unions needed to obtain from banks, or they were simply out of reach by one single credit union. Taking the ability from the corporates to provide these services does not make sense. Please reconsider and allow the corporates and the credit unions who play a major role do what they need to do to succeed.

704.14 – Representation

I have always been in favor of term limits, but I also believe you must provide a phase-in process. Your recommendation of immediate 6-year term limits would play havoc for having qualified talent, especially during the most critical time for corporate. Again, I ask you to reconsider this recommendation.

Thank you for the opportunity to comment on the proposed Corporate Credit Union regulation changes.

Sincerely,

Michael F. Ambrose
President/CEO

cc: USAlliance Federal Credit Union Board of Directors
William J. Mellin, President & CEO, Credit Union Association of New York
Daniel F. Egan, Jr., President, Massachusetts Credit Union League, Inc.
Jane C. Melchionda, President/CEO, EasCorp